

Baptista, Chrisna

From: Chrisna Baptista <Baptista.Chrisna@epamail.epa.gov>
Sent: Monday, March 14, 2016 6:50 PM
To: Baptista, Chrisna
Subject: Fw: BP Financial Assurance for CERCLA Sites

Chrisna Tan, Attorney-Adviser
U.S. Environmental Protection Agency
Office of Site Remediation Enforcement
Room 4232J Ariel Rios South (MC 2272A)
1200 Pennsylvania Ave. NW
Washington, D.C. 20460
Phone: (202) 564-4272 Fax: (202) 501-0269
E-mail: tan.chrisna@epa.gov

NOTICE: This email and its attachments may contain privileged or other confidential information. If you are not the intended recipient, or believe that you have received this communication in error, please delete the copy you received and do not print, copy, retransmit, disseminate, or otherwise use the information.

----- Forwarded by Chrisna Baptista/DC/USEPA/US on 03/14/2016 06:49 PM -----

From: "Gross, Joel" <Joel.Gross@APORTER.COM>
To: Chrisna Tan/DC/USEPA/US@EPA,
Cc: Christine McCulloch/DC/USEPA/US@EPA, Cari Shiffman/DC/USEPA/US@EPA, "Genovese, Robert (BP)" <Robert.Genovese@bp.com>, "Martin, Jean A" <jean.martin@bp.com>, "Stelcen, Kerri" <Kerri.Stelcen@aporter.com>
Date: 06/17/2011 07:39 AM
Subject: BP Financial Assurance for CERCLA Sites

Chrisna--

I wanted to follow up on our call on Tuesday concerning the CERCLA sites for which BP had provided letters of credit in replacement for corporate guarantees from BP Corporation North America Inc. (BPCNAI). EPA had questioned the use of those guarantees because they relied upon a bond rating of one of BPCNAI's subsidiaries. The sites for which replacement LCs have been provided are: Butte Mine Flooding; Milltown; Yerington; Northwest Oil Drain; and Leviathan. You told me on Tuesday that for these sites (i) EPA would provide a letter stating that BP was now in compliance with the financial assurance requirements, and (ii) EPA was not going to seek penalties for alleged past violations. You also indicated that the parties would reserve their rights with respect to financial assurance at any other CERCLA sites. You asked whether BP would be moving ahead to obtain a letter of credit for the Yerrington 2005 UAO (in the amount of \$1.7 million, representing the remaining work under the order), and I can confirm that BP will be moving forward on that and should have the letter of credit in place within a few weeks. We will send you a copy when it is issued.

Given this, you indicated that you did not see the need for a formal agreement on the CERCLA sites, and we agree with that. We will now work with Cari Shiffman to finalize the RCRA/SDWA CAFOs. We are glad that we could resolve your concerns about the CERCLA sites, and BP intends to keep the letters of credit in place until such time as it either (i) is able to provide corporate guaranty that meets the applicable requirements and does not rely on a subsidiary bond rating, or (ii) is able to provide alternative, compliant assurances.

We appreciate your help in resolving this matter.

Joel

Joel M. Gross
Arnold & Porter LLP
555 Twelfth Street, NW
Washington, DC 20004-1206

Telephone: +1 202.942.5705
Cell Phone: 202. 247.0987
www.arnoldporter.com

U.S. Treasury Circular 230 Notice

Any U.S. federal tax advice included in this communication (including any attachments) was not intended or written to be used, and cannot be used, for the purpose of (i) avoiding U.S. federal tax-related penalties or (ii) promoting, marketing or recommending to another party any tax-related matter addressed herein.

This communication may contain information that is legally privileged, confidential or exempt from disclosure. If you are not the intended recipient, please note that any dissemination, distribution, or copying of this communication is strictly prohibited. Anyone who receives this message in error should notify the sender immediately by telephone or by return e-mail and delete it from his or her computer.

For more information about Arnold & Porter LLP, click here:
<http://www.arnoldporter.com>